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**Financing of the International Tribunal for the Prosecution of
Persons Responsible for Serious Violations of International
Humanitarian Law Committed in the Territory of the
Former Yugoslavia since 1991**

First performance report of the International Tribunal for the Former Yugoslavia for the biennium 2006-2007

Report of the Secretary-General

Summary

The first performance report of the International Tribunal for the Former Yugoslavia for the biennium 2006-2007 is submitted pursuant to General Assembly resolution 60/243 of 23 December 2005. The report reflects a requirement of additional appropriations of \$18.8 million, net of staff assessment, over the initial appropriation for the biennium 2006-2007. The increased requirements include changes with respect to exchange rates as a result of the weakening of the United States dollar vis-à-vis the euro, inflation and standard salary costs. The Assembly is requested to approve a revised appropriation for 2006-2007 in the amount of \$326,573,900 gross (\$297,146,300 net) to the Special Account for the International Tribunal for the Former Yugoslavia.



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I. Introduction

1. The primary purpose of the first performance report is to identify adjustments required owing to variations in the rates of inflation and exchange and in the standards assumed in the calculation of the initial appropriations.

2. The net increase in requirements of \$18,836,400 for the International Tribunal for the Former Yugoslavia, resulting from these technical adjustments, is shown in tables 1 and 2 below. Table 1 reflects the changes by component and main determining factors and table 2 reflects the changes by object of expenditure and by main determining factors.

3. Explanations of the variations in the costing parameters assumed in the calculation of the initial appropriations are detailed in paragraphs 5 and 6 below. In addition, the annex to the present report provides the budgetary assumptions used in the initial appropriations for the biennium 2006-2007 and the rates proposed in the present report.

Table 1
Summary of projected expenditures and income by component and main determining factors
(Thousands of United States dollars)

Component	2006-2007 appropriation ^a	Projected changes			Total	Proposed revised appropriation
		Exchange rate	Inflation	Standards		
Chambers	9 443.7	79.3	2.3	—	81.6	9 525.3
Office of the Prosecutor	81 296.2	3 963.1	209.3	1 616.4	5 788.8	87 085.0
Registry	214 397.4	11 179.6	91.0	4 295.6	15 566.2	229 963.6
Total expenditure (gross)	305 137.3	15 222.0	302.6	5 912.0	21 436.6	326 573.9
Income						
Staff assessment	26 577.9	612.4	287.8	1 700.0	2 600.2	29 178.1
Other income	249.5	—	—	—	—	249.5
Total net requirement	278 309.9	14 609.6	14.8	4 212.0	18 836.4	297 146.3

^a As approved in resolution 60/243.

Table 2

Summary of projected expenditures by object of expenditure and main determining factors

(Thousands of United States dollars)

Object of expenditure	2006-2007 appropriation ^a	Projected changes			Total	Proposed revised appropriation
		Exchange rate	Inflation	Standards		
Posts	150 796.2	8 385.6	(142.6)	4 212.0	12 455.0	163 251.2
Other staff costs	24 412.3	1 357.3	27.9	—	1 385.2	25 797.5
Non-staff compensation	9 268.4	77.6	3.6	—	79.2	9 347.6
Consultants and experts	752.9	-41.8	0.8	—	-42.6	795.2
Travel of staff	7 657.2	—	28.4	—	28.4	7 685.6
Contractual services	53 914.8	2 997.0	61.7	—	3 058.7	56 973.5
General operating expenses	23 131.5	1 297.2	26.7	—	1 323.9	24 655.4
Hospitality	13.7	0.7	—	—	0.7	14.4
Supplies and materials	2 373.4	131.8	2.7	—	134.5	2 507.9
Furniture and equipment	5 430.7	301.8	7.2	—	309.0	5 739.7
Improvement of premises	339.1	18.8	0.4	—	19.2	358.3
Grants and contributions	269.2	—	—	—	—	269.2
Staff assessment	26 577.9	612.4	287.8	1 700.0	2 600.2	29 178.1
Total (gross)	305 137.3	15 222.0	302.6	5 912.0	21 436.6	326 573.9
Income						
Staff assessment	26 577.9	612.4	287.8	1 700.0	2 600.2	29 178.1
Other income	249.5	—	—	—	—	249.5
Total (net)	278 309.9	14 609.6	14.8	4 212.0	18 836.4	297 146.3

^a As approved in resolution 60/243.**II. Explanation of the changes in net requirements**

4. The changes as a result of the main determining factors reflected in tables 1 and 2 would yield an increase of \$21,436,600 in expenditure requirements for a total revised appropriation of \$326,573,900 (gross). Details are as follows (in thousands of United States dollars):

Appropriation*	305 137.3	
Variations in budgetary assumptions		
Changes in exchange rates	15 222.0	Based on United Nations operational rates of exchange
Changes in inflation assumptions	302.6	Based on consumer price indices, post adjustment multipliers promulgated and actual versus budgeted cost-of-living adjustments
Adjustments to standard salary costs and common staff costs	5 912.0	Based on analysis of actual payroll data, vacancies, common staff costs, recommendations of the International Civil Service Commission and staff assessment provisions consequent upon consolidation of post adjustment
Revised total (gross)	326 573.9	

* As approved in resolution 61/243.

A. Changes in exchange rates and inflation assumptions

(increase: \$15,524,600)

5. A net increase in the amount of \$15,524,600 would be required to absorb the impact of changes in the exchange rates attributable mainly to the weakening of the dollar vis-à-vis the euro and changes in anticipated inflation. In the present performance report, the realized exchange rates were applied to the period from January to November 2006 and the November 2006 exchange rate was applied to December 2006. The resulting figures for 2006 have also been used for 2007. Adjustments resulting from actual experience in 2007 would be implemented in the second performance report. With respect to the revised projected inflation rates applied to all the objects of expenditure in The Hague, these are based on actual post adjustment multipliers for the period from January to November 2006 and projections based on data used by the International Civil Service Commission as well as the latest information available on consumer price indices and actual versus budgeted cost-of-living adjustments.

B. Adjustments to standard costs (increase: \$5,912,000)

6. The increase of \$5,912,000 associated with adjustments to standard costs reflects the net effect of changes in salary standard costs. Revisions to standard salary costs for 2006 are based on the actual averages experienced in the biennium to date, by category and level. Projections for 2007 are based on the trends experienced in 2006.

III. Salaries and allowances of judges

7. As at the time of the present report, the General Assembly has before it for its consideration the report of the Secretary-General on conditions of service and compensation for the members of the International Court of Justice, the judges of

the International Criminal Tribunal for Rwanda and the International Tribunal for the Former Yugoslavia and the ad litem judges (A/61/554).

8. In response to General Assembly resolution 59/282 of 13 April 2005, the Secretary-General in his report (A/61/554) sets out proposals relating to increases in (a) the annual salary of the judges, (b) the special allowance of the President and Vice-President when acting as President, (c) education costs, and (d) pension payments in respect of members of the International Court of Justice and the judges of the Tribunals. The financial implications arising from these proposals in respect of the International Tribunal for the Former Yugoslavia would amount to \$850,800 for the biennium 2006-2007, as reflected in table 3 of the same report.

9. Subject to action to be taken by the General Assembly at the main part of its sixty-first session on these proposals, any resulting additional requirements would be reflected in the revised appropriation for the biennium 2006-2007 to the Special Account for the International Tribunal for the Former Yugoslavia.

IV. Action requested of the General Assembly

10. **The General Assembly is requested:**

- (a) **To take note of the present report;**
- (b) **To approve a revised appropriation for the biennium 2006-2007 in the amount of \$326,573,900 gross (\$297,146,300 net) to the Special Account for the International Tribunal for the Former Yugoslavia.**

Annex

Budgetary assumptions for the International Tribunal for the Former Yugoslavia for the biennium 2006-2007

<i>Budget parameters</i>	<i>Initial appropriation</i>		<i>Proposed estimates for the revised appropriation</i>	
	<i>2006</i>	<i>2007</i>	<i>2006</i>	<i>2007</i>
Rate of exchange (US\$ 1 €)	0.82	0.82	0.80	0.80
Inflation rate (percentage)	1.50	1.50	1.40	1.60
Post adjustment multiplier (percentage)	43.27	45.33	47.43	44.15
Common staff costs rate (percentage)	40.24	40.24	40.24	40.24
Vacancy rates for continuing posts				
Professional category and above (percentage)	9.50	9.50	9.50	9.50
General Service and related categories (percentage)	7.90	7.90	7.90	7.90
Vacancy rates for new posts				
Professional category and above (percentage)	50.00	50.00	50.00	50.00
General Service and related categories (percentage)	40.00	40.00	40.00	40.00